

**MINUTES**  
**Crested Butte Town Council**  
**Regular Council Meeting**  
**February 6, 2012**  
**Council Chambers, Crested Butte Town Hall**

Mayor Aaron Huckstep called the meeting to order at 7:00 p.m. Councilmembers present: John Wirsing, Glenn Michel, Shaun Matuszewicz, Roland Mason, David Owen and Jim Schmidt. Staff Present: Town Manager Susan Parker, Town Attorney John Belkin, Town Clerk Eileen Hughes, Building and Zoning Director Bob Gillie, Finance Director Lois Rozman (for part of the meeting) and Town Planner John Hess.

**APPROVAL OF AGENDA**

Mayor Huckstep explained that staff requested that a Resolution supporting the induction of Ralph Walton to the Ski Hall of Fame be added to the agenda as the first item under New Business.

Matuszewicz moved and Michel seconded to approve the agenda with the addition of Resolution No. 4, Series 2012. A roll call vote was taken with all voting "Yes." **Motion passed unanimously.**

**PROCLAMATION**

Expressing Appreciation to Crested Butte Mountain Resort for Uphill Skiing.

Schmidt moved and Wirsing seconded to approve a proclamation expressing appreciation to Crested Butte Mountain Resort for uphill skiing. A roll call vote was taken with all voting "Yes." **Motion passed unanimously.**

Crested Butte Mountain Resort representative, Ethan Mueller, thanked the Council for the proclamation and relayed that his assistant, who has worked for CBMR for 26 years, said this was the first time the resort received a proclamation of appreciation from the Town.

**CONSENT AGENDA**

A) Approval of Minutes of January 17, 2012 Council Meeting.

Mason moved and Wirsing seconded to approve the Consent Agenda. A roll call vote was taken with all voting "Yes." **Motion passed unanimously.**

**PUBLIC COMMENTS** None

**STAFF UPDATES**

John Hess:

- Irwin Backcountry Guides is proposing summer activities in Irwin. The Gunnison County Planning Commission referred their application to the Town for comment.
- An ordinance will come before Council at its next meeting for the conveyance of property at Red Lady Estates.

Lois Rozman:

- Sales tax revenues were up 2% in December and sales tax revenue for the year 2011 was up 7% from 2010.
- She is preparing for audit next month.

Eileen Hughes:

- Asked Council to continue to keep in contact with the Clerk's office if they have any questions about their i-Pads.
- She will e-mail Council the agenda for the joint work session with Mt. Crested Butte on Feb. 8, 2012.

Susan Parker:

- Public works crews plan to pull some of the snow banks on Elk Avenue tonight.
- The Safe Routes to School grant program has been eliminated; the Town is fortunate it already received a grant under the program.
- She received a complaint about traffic congestion in the community school parking lot.

### **PUBLIC HEARING**

A) Special Event Application- Mardi Gras Parade- Mardi Gras Parade Committee-February 21, 2012- Elk Avenue.

Mayor Huckstep confirmed with the Town Clerk that proper public notice of the public hearing was given. Mayor Huckstep noted that the Crested Butte Mountain Theatre is no longer organizing the Mardis Gras Parade and Tully Burton and JJ Reimer have stepped up to take on the task and they should be thanked.

Mayor Huckstep opened the public hearing. There were no public comments. Mayor Huckstep closed the public hearing. A council member noted that a representative of the Mardis Gras Committee was not in attendance. Town Clerk Eileen Hughes said she was not sure why a representative was not present, but noted that everything is in order for the permit and staff recommends approval of the special event application.

Matuszewicz moved and Owen seconded to approve the Mardis Gras Committee's special event application for the Mardis Gras Parade on Elk Avenue on February 21, 2012. A roll call vote was taken with all voting "Yes." **Motion passed unanimously.**

### **NEW BUSINESS**

A) Resolution No. 4, Series 2012- A Resolution Of The Town Council Of The Town Of Crested Butte, Colorado Supporting The Induction Of Ralph Outlaw Walton, Jr. Into The Colorado Ski Snowboard Hall Of Fame 2012.

Finance Director Lois Rozman said she received the request for the resolution from Martha Walton via Scout Walton. Town Manager Susan Parker explained that the request came in late and the matter is time sensitive. Parker noted that the Mt. Crested Butte Council will be considering a similar resolution.

Wirsing moved and Mason seconded to approve Resolution No. 4, Series 2012. A roll call vote was taken with all voting "Yes." **Motion passed unanimously.**

B) Ordinance No. 1, Series 2012 – An Ordinance Approving A Loan From The Colorado Water Resources And Power Development Authority In A Principal Amount Not To Exceed \$400,000.00; Authorizing The Form And Execution Of The Loan Agreement And A Governmental Agency Bond To Evidence Such Loan; Describing Other Details In Connection Therewith; And Repealing All Ordinances In Conflict Herewith.

Mayor Huckstep read the title of the ordinance and noted the staff report on the item with a recommendation to set the Ordinance for public hearing on February 21, 2012.

A councilmember said a constituent asked him why all the residents of the town are paying for the water tank expansion project when it's only needed to address fire suppression needs for certain large buildings. Town Manager Susan Parker said a while ago there was a break in a main water line and the expanded water tank provides redundancy in water storage. Finance Director Lois Rozman responded to a question from Council about the projected cost of the project being higher than originally estimated. Rozman said the 2012 budget may have to be amended depending on the bid amount, but she is not recommending the 2012 budget be amended until the project is awarded. Rozman said she anticipates the project will be completed this year.

Schmidt moved and Owen seconded to set Ordinance No. 1, Series 2012 for public hearing on February 21, 2012.

C) Discussion and Possible Direction To Staff Regarding Affordable Housing Committee Recommendations Related To Town-Owned Buildings and Voluntary Real Estate Transfer Assessment.

Town Planner John Hess referred to his February 1, 2012 memo to Council outlining the recommendations of the Affordable Housing Committee concerning options for the Town to provide required affordable housing units for Town-owned buildings. Hess explained that after further staff discussion with the Town's affordable housing consultant, Melanie Rees, the Council could consider an alternative which exempts Town-owned buildings from affordable housing requirements. Hess said since the Town has provided 186 units of affordable housing and will continue to provide affordable housing units in the future that Town-owned buildings could be given an exemption. Town Attorney John Belkin concurred that Town-owned buildings could be exempt from requirements to provide affordable housing or payment of mitigation fees.

Council discussed the topic at length. A councilmember said rather than use the term that Town-owned buildings are "exempt" from providing required affordable housing that the term "fulfillment" be used to denote that the affordable housing requirements for Town-owned buildings have been or will be fulfilled by units provided by the Town. Two council members voiced concern about Town-owned buildings being exempt from affordable housing requirements when developers are expected to comply with the requirements.

A majority of the Council directed staff to amend Ordinance 19, 2011 to reflect that Town-owned buildings are not subject to requirements to provide affordable housing.

Council went on to discuss item #2 in Hess's memo regarding a recommendation to direct the Affordable Housing Committee to investigate a Voluntary Real Estate Transfer Assessment (V-RETA).

Hess explained the concept of a V-RETA and noted that it's not a tax but a voluntary assessment that would be proposed by the developer and paid at the time a commercial property sells. Council directed staff to conduct more research on a V-RETA and report back to Council after Ordinance 19, Series 2011 is approved. Hess said a V-RETA could be an option included in the guidelines that will be developed as a companion to Ordinance 19, Series 2011. Hess said he will need to research the matter further to figure out if Ordinance 19 should include language to enable a V-RETA.

Council stressed that the priority is to revise Ordinance 19, Series 2011 and then develop the guidelines relatively quickly after Ordinance 19 is approved.

D) Staff Follow-Up Regarding Location of Clock at 4-Way Stop.

Building and Zoning Director Bob Gillie said staff needs direction regarding acceptance of the donation of a freestanding outdoor clock. Gillie noted his January 31, 2012 memo to Council on the topic.

Town Manager Susan Parker pointed out that installation of the clock is estimated to cost \$1500. Additionally, Parker said she forwarded an e-mail to Council today from the clock manufacturer stating that the clock has a five year warrantee and the yearly maintenance fee is \$570. Several Council members had questions about the financial implications of the clock. One councilmember said it's important that the clock fit into the simple historic character of the town and not be too ornate. Council discussed possible locations for the clock as outlined in Gillie's memo. Six council members indicated a preference for location #4. Parker said the donor of the clock also prefers site #4 (the southwest corner of the 4-way).

Council asked staff to prepare a more detailed "mock up" of the different possible locations for the clock and to also provide more detail on the financial implications of the clock.

Council took a five minute break

### **OLD BUSINESS**

A) Ordinance 19, Series 2011- An Ordinance Amending And Replacing The Town's Resident-Occupied Affordable Housing Requirements And Fees Contained In Chapter 16, Article 21 Of The Crested Butte Municipal Code.

Mayor Huckstep read the title of the ordinance. Council discussed "a few other minor policy questions" from Town Planner John Hess, as outlined at the end of Hess's Feb. 1, 2012 memo to Council. Council agreed with item 1.b of Hess's memo to include language in Ordinance 19, Series 2011 that land may be conveyed to the Town in lieu of affordable housing units and that language inserted in Ordinance 19 should be similar to language in Telluride's ordinance saying that the fair market value of the land is at least equivalent to the payment-in-lieu fee. Council also agreed with item # 2 of Hess's memo to include wording in Ordinance No. 19 that if the Town sells the land that proceeds of the sale of such land shall be used for affordable housing.

Council discussed item #3 regarding Hess's suggestion that owners of deed restricted units be required to sign sworn affidavits (similar to what is used in Vail) regarding the use of their deed restricted unit. Gillie explained that every two years the Building Department asks owners of deed restricted units to fill out a survey and if Council required affidavits that more staff would need to be hired. Gillie estimated that 20-25 percent of the deed restricted units in Town are being used "inappropriately."

Council directed staff to bring back item 3(of Hess's policy questions) to Council in the future regarding the suggestion that the owners of deed restricted units be required to sign affidavits.

Council member John Wirsing said he will likely not be able to attend the March 5, 2012 Council meeting and Council member Shawn Matuszewicz said he will be absent from the March 5 meeting.

Schmidt moved and Mason seconded to continue Ordinance No. 19, Series 2011 to March 5, 2012. A roll call vote was taken with Schmidt, Michel, Huckstep, Mason and Owen voting "Yes" and Wirsing and Matuszewicz voting "No." **Motion passed 5-2.**

### **LEGAL MATTERS**

John Belkin:

- He plans to sift through water files from the Town's former water lawyer Jay Cope who recently passed away. Council asked Belkin if he has any recommendations yet on a water attorney to represent the Town.
- Belkin responded that he does not have anyone in mind at this point.

### **COUNCIL REPORTS AND COMMITTEE UPDATES**

David Owen:

- Attended a meeting of people concerned about the Crested Butte/Mt. Crested Butte Chamber of Commerce.

John Wirsing:

- There are now five nominees for four open seats on the Chamber Board of Directors.
- He recently attended a hockey game in Crested Butte and met a family from Telluride. The ice rink is bringing people to the Town.

Glenn Michel:

- Attended a recent Mt. Express Board of Directors meeting. The board will be hiring a consultant to work on grants. Mt Express plans to purchase a new bus in the near future.

Jim Schmidt:

- The Kochevar trails group met three weeks ago; everything is in place to develop phase 2 of the Lupine trail. The plan is to make the trail wider for use with adaptive mountain bikes. The group will meet again April 4, 2012.
- He heard good things about the Alley Loop and Town staff did a fine job getting snow onto the route.

Roland Mason:

- The Rural Transportation Authority (RTA) elected Chris Morgan as its new Chair. Crested Butte Mountain Resort (CBMR) representatives attended the last RTA meeting. CBMR explained there is an industry-wide problem with filling air seats and CBMR asked if RTA revenue could be divided between air transportation and ground transportation. The RTA may prepare a strategic five year plan and may also go to voters with a question about equalizing the RTA tax rate throughout the County.

Aaron Huckstep:

- The North American Ski Championships at CBMR went well.
- Topics on the agenda for the joint work session with Mt. Crested Butte on February 8, 2012 include Mt. Express, the Chamber of Commerce and the RTA.
- He attended a Colorado Association of Ski Towns (CAST) meeting in Steamboat Springs. Steamboat has been hit hard with the down economy and staff has been furloughed on Fridays and pay has been cut by 10 percent. At the CAST meeting open space purchases and trails were discussed, as well as affordable housing.
- He attended a Mayors and Managers meeting. The main topic discussed was the RTA and airline issues.
- He will be meeting with USA Pro-Challenge organizers.
- Noted the Town received a letter regarding affordable housing from Kimberly Bearfield.

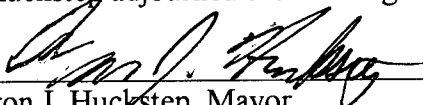
### **EXECUTIVE SESSION**

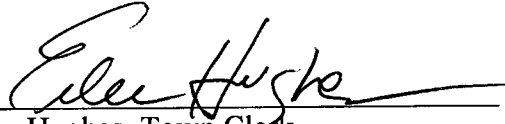
For A Conference With The Town Attorney For The Purpose Of Receiving Legal Advice On Specific Legal Questions Under C.R.S. Section 24-6-402(4) (b).

Schmidt moved and Mason seconded to go into executive session for a conference with the Town Attorney for the purpose of receiving legal advice on specific legal questions under C.R.S. section 24-6-402(4) (b). A roll call vote was taken with all voting "Yes." **Motion passed unanimously.**

Council took a five minute break and went into executive session at 9:27 p.m. Council returned to open meeting at 9:53 p.m. Mayor Huckstep made the required announcement upon returning to the open meeting

Mayor Huckstep adjourned the meeting at 9:54 p.m.

  
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Aaron J. Huckstep, Mayor

  
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Eileen Hughes, Town Clerk

(SEAL)

